

UNITED STATES BANKRUPTCY
COURT DISTRICT OF NEW JERSEY

FEE APPLICATION COVER SHEET FOR THE PERIOD
DECEMBER 29, 2022 THROUGH OCTOBER 2, 2023

Debtor:	<u>BlockFi, Inc. et al.¹</u>	Applicant:	<u>Brown Rudnick LLP</u>
Case No.:	<u>21-19361(MBK)</u>	Client:	<u>Official Committee of Unsecured Creditors</u>
Chapter:	<u>11</u>	Case Filed:	<u>November 28, 2022</u>

SECTION 1
FEES SUMMARY

Monthly Fee Application No. or Interim Fee Application No. or Final Fee Application

Summary of Amounts Requested for the Period from December 29, 2022 through October 2, 2023 (the “Final Fee Application”).

Total Fees and Disbursements Requested:	\$11,033,422.24
Total Fees Requested:	\$10,739,931.00 ² ³
Total Disbursements Requested:	\$293,491.24 ⁴
 Total Fees and Disbursements Sought:	 \$10,988,422.24⁵
 Holdbacks Due:	 \$810,672.40
(20% holdback of Fees From 8 th through 9 th . Monthly Fee Statements)	\$140,191.85

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965); and BlockFi Lending II LLC (0154). The location of the Debtors' service address is c/o M3 Partners, 1700 Broadway, 19th Floor, New York, NY 10019.

² Brown Rudnick excluded fees in the amount of \$179,611.00 in respect of transient timekeepers and other voluntary reductions.

³ The total fees requested in this Final Fee Application includes \$30,421.00 for time spent in connection with the preparation and filing of this Final Fee Application.

⁴ Brown Rudnick has voluntarily excluded a total of \$28,435.17 in costs during the Final Fee Application Period, including \$3,403.58 in costs previously requested on the Monthly Fee Statements.

⁵ Reflects \$45,000 reduction of fees allowed pursuant to the Court's *Order Allowing Interim Compensation for Services Rendered and Reimbursement of Expenses of the Retained Professionals* [Docket No. 1545].

Second Interim Application: \$670,480.55⁶

Amount Due not Previously Requested:

October 1, 2023 – October 2, 2023 Fees and Expenses:	\$26,170.43
Fees Incurred in Preparation of Final Fee Application:	\$30,241.00
Previously Unbilled Cost	\$2,040.00

⁶ The hearing date for Brown Rudnick's Second Interim Application is set for December 19, 2023.

NAME OF PROFESSIONAL & TITLE	YEAR ADMITTED (Or Years of Professional Service)	HOURS	RATE	Fee
1. Robert J. Stark	Partner 1995	664.0	\$1,950	\$1,283,147.50
2. Jeffrey L. Jonas	Partner 1988	62.9	\$1,650	\$103,689.00
3. William R. Baldiga	Partner 1983	.9	\$1,650	\$1,485.00
4. Steven B. Levine	Partner 1981	22.4	\$1,525	\$34,160.00
5. Bennett S. Silverberg	Partner 2001	612.2	\$1,390	\$839,111.50
6. Stephen D. Palley	Partner 1998	257.2	\$1,390	\$336,026.00
7. Vincent J. Guglielmotti	Partner 2005	62.2	\$1,375	\$85,525.00
8. Barbara J. Kelly	Partner 1982	.8	\$1,375	\$1,100.00
9. Michael S. Winograd	Partner 2001	13.6	\$1,280	\$17,408.00
10. Nicole M. Bouchard	Partner 2009	163.7	\$1,200	\$196,440.00
11. Andrew M. Carty	Partner 2013	20.8	\$1,200	\$24,960.00
12. Kenneth J. Aulet	Partner 2012	1,095.8	\$1,200	\$1,303,895.00
13. Patrick E. Gilman	Partner 2005	657.2	\$1,195	\$775,653.50
14. Cameron D. Moxley	Partner 2005	31.7	\$1,105	\$35,028.50
15. Rodney A. Bedow	Partner 2011	38.4	\$1,060	\$40,704.00
16. Susan Sieger-Grimm	Counsel 1997	71.9	\$1,055	\$75,854.50
17. Shari I. Dwoskin	Partner 2014	453.1	\$1,025	\$459,968.75
18. Jonathan Fahey	Counsel 2000	12.7	\$1,025	\$13,017.50
19. Matthew Richardson	Partner 2022	11.0	\$1,025	\$6,918.75
20. Tristan G. Axelrod	Partner 2015	581.9	\$1,000	\$565,695.50
21. Eileen H. Citron	Counsel 2009	264.7	\$1,000	\$264,700.00
22. Harold S. Laidlaw	Associate 2015	17.0	\$975	\$16,575.00
23. Hailey Lennon	Partner 2012	438.3	\$975	\$427,342.50
24. Christine Connell	Associate 2016	52.9	\$955	\$50,519.50
25. Franklin S. Krbechek	Associate 2018	111.6	\$940	\$104,904.00
26. Anthony F. Buscarino	Associate 2017	838.5	\$940	\$788,190.00
27. Isabelle R. Jacobs	Associate 2018	111.1	\$940	\$104,434.00
28. Jason R.U. Rotstein	Associate 2019	135.6	\$940	\$127,464.00
29. Daniel J. Healy	Partner 1999	7.4	\$925	\$6,845.00
30. Matthew A. Sawyer	Associate 2019	498.5	\$890	\$438,386.00
31. Ivan Chaykovskiy	Associate 2012	6.9	\$890	\$6,141.00

NAME OF PROFESSIONAL & TITLE	YEAR ADMITTED (Or Years of Professional Service)	HOURS	RATE	FEE
32. Alexander F. Kasnetz	Associate 2018	305.5	\$890	\$271,895.00
33. Martha Baselga	Associate 2014	137.6	\$870	\$119,712.00
34. Lydell W. Benson, Jr.	Associate 2022	150.0	\$765	\$114,750.00
35. Luis Vargas Rivera	Associate 2021	73.5	\$765	\$56,227.50
36. Alessandra Maldonado	Associate 2021	30.6	\$765	\$23,409.00
37. Nicholas Joynson	Associate 2021	573.2	\$765	\$438,498.00
38. Jennifer M. Schein	Associate 2017	54.8	\$765	\$41,922.00
39. Natasha Ertzbischoff	Associate 2021	180.9	\$685	\$123,916.50
40. Ethan Lin	Associate 2022	50.9	\$685	\$34,866.50
41. Andrew Rizkalla	Associate 2021	595.5	\$685	\$377,895.00
42. David Weinstein	Associate 2020	2.4	\$685	\$1,644.00
42. Trip Franzese	Associate 2022	554.7	\$635	\$347,789.50
43. Isabella K. Blanes	Associate 2021	8.2	\$635	\$5,207.00
44. Chloe Kealey	Associate 2021	114.1	\$605	\$69,030.50
45. Harriet E. Cohen	Paralegal	131.9	\$490	\$64,631.00
46. Thomas Burns	Paralegal	8.4	\$490	\$4,116.00
47. Susan G. Oldham	Paralegal	62.8	\$485	\$30,213.00
48. Carlene M. Mercier	Paralegal	5.5	\$485	\$2,667.50
49. Julie W. Ramirez	Paralegal	39.1	\$470	\$18,377.00
50. Madelyn A. Soliman	Paralegal	110.5	\$470	\$51,935.00
51. Alexa R. Zackasee	Marketing Staff	18.0	\$330	\$5,940.00
TOTALS		10,525.0		\$10,739,931.00

Fee Totals: \$10,739,931

Disbursements Totals: \$293,491.24

Total Fee Application \$11,033,491.24

SECTION II
SUMMARY OF SERVICES

SERVICES RENDERED	HOURS	Fee
a) Asset Analysis and Recovery: Identification and review of potential assets including causes of action and non-litigation recoveries.	143.0	\$171,688.50
b) Asset Disposition Sales, leases, abandonment and related transaction work.	0.0	\$0.00
c) Avoidance Action Litigation Preference and fraudulent transfer litigation.	17.6	\$18,858.00
d) Business Operations Issues related to debtor-in-possession operating in chapter 11 such as employee, vendor, tenant issues and other similar problems.	0.0	\$0.00
e) Case Administration Coordination and compliance activities, including preparation of statement of financial affairs, schedules, list of contracts, United States Trustee interim statements and operating reports; contacts with the United States Trustee; general creditor inquiries.	249.2	\$145,925.50
f) Claims Administration and Objections Specific claim inquiries; bar date motions; analyses, objections and allowance of claims.	366.9	\$351,650.00
g) Employee Benefits/Pensions Review issues such as severance, retention, 401K coverage and continuance of pension plan.	0.0	\$0.00
h) Fee/Employment Applications Preparations of employment and fee applications for self or others; motions to Establish interim procedures.	318.9	\$263,192.00
i) Fee/Employment Objections Review of an objections to the employment and fee applications of others	87.5	\$102,810.00
j) Financing Matters under 361, 363 and 364 including cash collateral and secured claims; loan document analysis.	0.0	\$0.00
k) Litigation/Contested Matters Other than Avoidance Action Litigation (there should be a separate category established for each major matter).	365.5	\$394,922.50
l) Meetings of Creditors Preparing for and attending the conference of creditors, the 341(a) meeting and creditors' committee meetings.	889.1	\$1,085,737.00

SERVICES RENDERED	HOURS	FEE
m) Plan and Disclosure Statement Formulation, presentation and confirmation; compliance with the plan confirmation order, related orders and rules; disbursement and case closing activities, except those related to allowance and objections to allowance of claims.	1,880.0	\$2,239,239.00
n) Relief from Stay Proceedings Matters relating to termination or continuation of a utomatic stay under 362	495.6	\$509,537.50
o) Accounting/Auditing Activities related to maintaining and auditing books of account, preparation of financial statements and account analysis.	0.0	\$0.00
p) Business Analysis Preparation and review of company business plan; development and review of strategies; preparation and review of cash flow forecasts and feasibility studies.	0.0	\$0.00
q) Corporate Finance Review financial aspects of potential mergers, acquisitions and disposition of company or subsidiaries.	0.0	\$0.00
r) Data Analysis Management information systems review, installation and analysis, construction, maintenance and reporting of significant case financial data, lease rejection, claims, etc.	0.0	\$0.00
s) Litigation Consulting Providing consulting and expert witness services related to various bankruptcy matters such as insolvency, feasibility, avoiding actions; forensic accounting, etc.	0.0	\$0.00
t) Reconstruction Accounting Reconstructing books and records from past transactions and bringing accounting current.	0.0	\$0.00
u) Tax Issues Analysis of tax issues and preparation of state and federal tax returns.	286.7	\$337,549.50
v) Valuation Appraise or review appraisals of assets.	0.0	\$0.00
w) Travel Time (billed @ 50%)	163.3	\$95,609.00
x) Committee Governance Matters Analysis regarding committee governance matters, including creation of by-laws and addressing other governance matters.	4.1	\$3,375.50
y) Investigation and Due Diligence (Committee Investigation) Investigation and analysis of prepetition transactions and activities of the Debtor and related entities and assessment of potential claims and causes of action.	4,577.6	\$4,264,262.50

SERVICES RENDERED	HOURS	FEE
z) Hearings Preparation for and attendance at hearings.	153.6	\$211,538.50
aa) Wallet Motion and Related Analysis Investigation and analysis of return of Wallet funds.	434.6	\$438,280.00
bb) BlockFi v. Emergent Fidelity Technologies Issues relating to adversary proceeding against Emergent Fidelity Technologies related to, among other things, competing claims to Robin Hood equity securities and certain cash.	72.9	\$87,780.00
cc) Regulatory Issues Investigation and analysis of regulatory issues and assessment of impact on proceedings.	18.9	\$17,976.00
SERVICE TOTALS:	10,525.0	\$10,739,931.00

SECTION III
FEE APPLICATIONS FILED IN ACCORDANCE WITH
INTERIM FEE ORDER MONTHLY FEE
APPLICATIONS

	Fee Period	Date & Docket No.	Requested Fees	Requested Expenses	Previously Allowed Fees (80%)	Previously Allowed Expenses (100%)	Fee Holdback (20%)	Total Remaining to Be Paid
1	12/29/22 – 1/31/23	3/14/23 Docket No. 617	\$1,493,625.00	\$10,129.53	\$1,194,900.00	\$10,129.53	\$298,725.00	\$0.00
2	2/1/23 – 2/28/23	3/29/23 Docket No. 698	\$1,390,971.00	\$32,544.62	\$1,112,776.80	\$32,544.62	\$278,194.20	\$0.00
3	3/1/23 – 3/31/23	4/12/23 Docket No. 734	\$2,219,085.00	\$82,428.76	\$1,775,268.00	\$82,428.76	\$443,817.00	\$0.00
4	4/1/23 – 4/30/23	5/12/23 Docket No. 872	\$1,533,761.50	\$82,419.61	\$1,227,009.20	\$82,419.61	\$306,752.30	\$0.00
5	5/1/23 – 5/31/23	6/16/23 Docket No. 1087	\$1,278,613.75	\$22,308.15	\$1,022,891.00	\$22,308.15	\$255,722.75	\$255,722.75
6	6/1/23 – 6/30/23	7/12/23 Docket No. 1189	\$1,159,495.50	\$16,623.99	\$927,596.40	\$16,623.99	\$231,899.10	\$231,899.10
7	7/1/23 – 7/31/23	8/11/23 Docket No. 1345	\$914,293.50	\$18,725.88	\$731,434.80	\$18,725.88	\$182,858.70	\$182,858.70
8	8/1/23 – 8/31/23	9/19/23 Docket No. 1534	\$342,884.50	\$9,360.76	\$274,307.60	\$9,360.76	\$68,576.90	\$68,576.90
9	9/1/23 – 9/30/23	10/11/23 Docket No. 1712	\$358,074.75	\$9,625.01	\$286,459.80	\$9,625.01	\$71,614.95	\$71,614.95
	10/1/23 – 10/2/23 Not Previously Submitted	N/A	\$18,885.50	\$9,324.93 ⁷	N/A	N/A	N/A	\$28,210.43
	Time Spent Preparing Final Fee Application	N/A	\$30,241.00	\$0.00	N/A	N/A	N/A	\$30,241.00
		TOTAL	\$10,739,931.00	\$293,491.24	\$8,552,643.60	\$284,166.31	\$2,138,160.90	\$869,123.83

⁷ Includes \$2,040.00 of costs not previously included on a monthly fee application.

SECTION IV
INTERIM FEE APPLICATIONS

	Fee Period	Date & Docket No.	Fees Requested	Expenses Requested	Fee Examiners Recommended Fee Adjustments	Fees Allowed	Allowed Expenses	Fee Holdback (20%)	Total Remaining to be Paid
1	12/29/23 - 4/30/23	6/15/23 Docket No. 1074	\$6,637,422.50	\$207,522.52	\$45,000.00	\$6,592,422.50	\$205,585.02	\$1,327,488.50	\$0.00
2	5/1/23 - 7/31/23 ⁸	9/15/23 Docket No. 1507	\$3,352,402.75	\$57,658.02	TBD	TBD	TBD	\$670,480.55	\$670,480.55
		TOTAL	\$9,989,825.25	\$265,180.54		\$6,592,422.50	\$205,585.02	\$1,997,969.05	\$670,480.55

⁸ The hearing date for Brown Rudnick's Second Interim Application is set for December 19, 2023.

SECTION V
SUMMARY OF DISBURSEMENTS

DISBURSEMENTS	AMOUNT
a) Filing Fees Payable to Clerk of Court.	\$1,013.08
b) Computer Assisted Legal Research Westlaw, Lexis and a description of manner calculated. Westlaw and LEXIS at vendor cost.	\$74,158.23
c) Pacer Fees Payable to the Pacer Service Center for search and/or print.	\$531.00
d) Fax Include per page fee charged.	\$0.00
e) Case Specific Telephone/Conference Call Charges Exclusive of overhead charges. Court-Solutions	\$0.00
f) In-house Reproduction Services Exclusive of overhead charges.	\$9,064.25
g) Outside Reproduction Services Including scanning services. This includes trial preparation.	\$10,912.96
h) Other Research Title searches, UCC searches, Asset searches, Accurint.	\$229.00
i) Court Reporting Transcripts.	\$14,324.82
j) Travel Mileage, tolls, airfare, parking.	\$79,592.60
k) Courier & Express Carriers Overnight and personal delivery.	\$650.14
l) Postage	\$21.00
m) Other (specify) Professional Services In-House Investigative Services.	\$62,924.00
n) Other (specify) Meals	\$4,801.66

DISBURSEMENTS	AMOUNT
o) Messenger	\$342.91
p) Consulting Cyber Team Six, LLC	\$25,000.00
q) Website and Hosting	\$7,885.59
r) Case Management Software	\$2,040.00
DISBURSEMENTS TOTAL:	\$293,491.24

I certify under penalty of perjury that the above is true and correct to the best of my knowledge, information, and belief.

Date: December 8, 2023

/s/ Robert J. Stark